



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
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<http://ceo.lacounty.gov>

March 16, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

### SEVEN-YEAR LEASE DEPARTMENT OF MENTAL HEALTH 3751 STOCKER STREET, LOS ANGELES (SECOND DISTRICT) (3 VOTES)

#### SUBJECT

This recommendation is for a seven-year lease of 19,936 rentable square feet for the Department of Mental Health (DMH) to provide continued use of the West Central Mental Health Center (Center) and 60 parking spaces.

#### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the proposed lease renewal is categorically exempt from the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chair to sign a seven-year lease renewal with Stocker Plaza Associates (Landlord) for the Department of Mental Health to occupy 19,936 rentable square feet of office space and 60 parking spaces at 3751 Stocker Street, Los Angeles, at a maximum annual first year cost of \$454,720. The program is fully funded by State and Federal funds.
3. Authorize the Chief Executive Office, Internal Services Department, and Department of Mental Health to implement the project. The lease will be effective upon approval by your Board.

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

*"To Enrich Lives Through Effective And Caring Service"*

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### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

DMH has occupied the facility since 1974. The current lease expired on September 8, 2008, and is currently on a month-to-month holdover basis. The facility houses approximately 80 staff and receives approximately 100 daily client visits providing services primarily to transitional-aged youth and adults. The Center provides comprehensive outpatient mental health services including psychiatric evaluation and assessment, individual, group and family therapy, medication support, case management, benefits establishment, crisis intervention, individual and group rehabilitation, and other mental health services.

The proposed lease renewal will allow DMH to continue to provide uninterrupted services in the South Los Angeles area. It will also eliminate the need to consider relocating the programs to another facility, avoiding the costs of Tenant Improvement (TI), furniture, telephone, tele-data and low voltage requirements associated with acquiring new space.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs that we improve health and mental health outcomes within available fiscal and other resources, by promoting proven service models and prevention principles that are population-based, client-centered and family focused (Goal 4). The proposed lease renewal will enable the Center to continue to provide services to the residents at the same location, in a fiscally responsible manner, continuing to provide quality services to transitional-aged youth, adults, and their families.

### **FISCAL IMPACT/ FINANCING**

The proposed lease renewal will provide continued use of 19,936 square feet of office space with 60 parking spaces at an initial monthly base rent of \$35,885 per month, or \$430,620 annually for DMH.

The existing lease is on a triple net basis whereby the County is fully responsible for all costs including taxes, maintenance, insurance, and utilities. The proposed lease renewal is on a modified-gross basis whereby the Landlord will be responsible for all operating costs associated with the County's occupancy except utilities which will remain the County's responsibility. The potential cost savings to the County by this conversion is anticipated to be \$74,000 per year. The four building complex under common ownership is managed under the same maintenance contract and the owner insisted on placing the proposed lease under the contract.

3751 Stocker Street Los Angeles	Existing Lease Amendment No. 1	Proposed Lease Renewal	Change
<b>Total Area</b>	19,936 sq.ft.	19,936 sq.ft.	None
<b>Term</b>	Five years (9/09/03-9/08/08)	Seven years, upon Board approval	+Two years
<b>Annual Base Rent</b>	\$428,225 (\$21.48/sq.ft.) Triple net lease	\$430,620 (\$21.60/sq.ft.)* Modified gross lease	+\$0.12/sq.ft.
<b>Base TI Allowance</b>	None	\$12/sq.ft.	+\$12/sq.ft.
<b>Additional TI Allowance</b>	None	\$5/sq.ft.	+\$5/sq.ft.
<b>Maximum Annual Rent</b>	\$428,225 (\$21.48/sq.ft.)	\$454,720 (\$22.81/sq.ft.)**	+\$1.33/sq.ft.
<b>Cancellation</b>	After the 24 <sup>th</sup> month, with 90 days notice	After the 48 <sup>th</sup> month, with 120 days notice	+24 months
<b>Parking (included)</b>	53	60	+7 spaces
<b>Option to Renew</b>	One five-year	One five-year	None
<b>Rental Adjustment</b>	Consumer Price Index (CPI) capped at 4 percent	CPI capped at 4 percent	None

\* Excludes utilities which per Building Owners & Managers Association cost an additional \$2.64/sq.ft. annually, or \$52,631.

\*\* Includes the amortization of the additional TIs amortized at 8 percent.

Sufficient funding for the proposed lease renewal is included in the 2009-10 Rent Expense budget and will be billed back to DMH. DMH has sufficient funding in its 2009-10 operating budget to cover the projected lease costs. Costs associated with the proposed lease renewal are fully funded via State and Federal funding.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed seven-year lease renewal will provide 19,936 square feet of office space and 60 parking spaces, and contains the following provisions:

- A seven-year term commencing upon Board approval.
- A modified-gross basis with the Landlord responsible for all operating and maintenance costs, with the exception of utilities.
- A base TI allowance of \$239,232 or \$12 per square foot, included in the base rental rate for new carpet, vinyl tile, paint, and other improvements.

- A reimbursable additional TI allowance of \$99,680, or \$5 per square foot, if utilized which may be paid in a lump sum or amortized over a five-year period at an annual interest rate of 8 percent.
- A cancellation provision allowing the County to cancel anytime after 48 months with 120 days prior written notice and payment of a cancellation fee equal to the unamortized balance of the additional TI.
- One five-year option to extend the lease with 60 days prior written notice.
- Annual rental adjustments based upon CPI with a maximum increase of 4 percent per annum through the term of the lease.

The Chief Executive Office (CEO) Real Estate staff conducted a survey within the Southwest Los Angeles area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically. Based upon said survey, staff has established that the rental range for similar office space is between \$17.40 and \$27.60 per square foot per year with the same level of services. Thus, the base annual rent of \$21.60 per square foot per year modified service gross, including parking for the proposed lease renewal represents a rate within market range for the area. Attachment B shows County-owned or leased facilities in proximity of the service area and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. Notification letters have been sent to the City of Los Angeles pursuant to Government Code Sections 25351 and 65402.

The Center has made space available for a children's waiting and play area, however, a child care center is not economically feasible for the department in the proposed lease premises.

### **ENVIRONMENTAL DOCUMENTATION**

The CEO has concluded that this project is exempt from California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

The Honorable Board of Supervisors  
March 16, 2010  
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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease renewal will adequately provide the necessary office space for this County requirement. DMH concurs with the proposed lease renewal.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return three originals of the executed lease renewal, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4<sup>th</sup> Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:SK:WLD  
CEM:FC:hd

Attachments

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Internal Services Department  
Department of Mental Health

**DEPARTMENT OF MENTAL HEALTH  
3751 STOCKER STREET, LOS ANGELES**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>			X
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>		X	
	C	Does this lease centralize business support functions? <sup>2</sup>			X
	D	Does this lease meet the guideline of 250 sq. ft of space per person? <sup>2</sup>	X		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program?		X	
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? <b>Not feasible at this time due to favorable lease terms.</b>		X	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?	X		
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>X</u> No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? <sup>2</sup> <b>Modified gross (net utilities). Lessor required the County to continue to pay for direct utility charges.</b>		X	
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
	<sup>1</sup> As approved by the Board of Supervisors 11/17/98				
	<sup>2</sup> If not, why not?				

**DEPARTMENT OF MENTAL HEALTH  
3751 STOCKER STREET, LOS ANGELES  
SPACE SEARCH WITHIN SECOND DISTRICT FOR BUILDINGS GREATER THAN  
20,000 SQUARE FEET**

LA CO	FACILITY NAME	ADDRESS	SQUARE GROSS	FEET NET	OWNERSHIP	SQUARE FEET AVAILABLE
A424	DPSS-EQUITABLE PLAZA BUILDING	3435 WILSHIRE BLVD, LOS ANGELES 90010	65872	62578	LEASED	NONE
A532	PH HEALTH-WILSHIRE METROPLEX BUILDING	3530 WILSHIRE BLVD, LOS ANGELES 90010	113027	101920	LEASED	NONE
A578	AUDITOR - SHARED SERVICES INITIATIVE	3470 WILSHIRE BLVD, LOS ANGELES 90010	21500	20425	LEASED	NONE
A408	DCFS BORAX OFFICE	3075 WILSHIRE BLVD, LOS ANGELES 90010	132488	105568	LEASED	NONE
A413	HUMAN RESOURCES-WILSHIRE SQUARE TWO BUILDING	3333 WILSHIRE BLVD, LOS ANGELES 90010-4109	84058	72804	LEASED	NONE
A425	DCFS HEADQUARTERS OFFICE	425 SHATTO PL, LOS ANGELES 90020	81912	77816	LEASED	NONE
X317	DCSS-LE SAGE COMPLEX 4 STORY BUILDING	3175 W 6TH ST, LOS ANGELES 90020	52230	42341	OWNED	NONE
X510	PARKS & REC-LE SAGE COMPLEX 2 STORY BUILDING	510 S VERMONT AVE, LOS ANGELES 90020	31540	24835	OWNED	NONE
X532	DCSS-LE SAGE COMPLEX 1 STORY BLDG(RED-TAGGED)	532 S VERMONT AVE, LOS ANGELES 90020	27179	10314	OWNED	NOT HABITABLE
X550	MENTAL HEALTH-LE SAGE COMPLEX TOWER	550 S VERMONT AVE, LOS ANGELES 90020-1991	171651	149668	OWNED	NONE
Y193	PARKS & RECREATION-HEADQUARTERS BUILDING	433 S VERMONT AVE, LOS ANGELES 90020	31862	21777	OWNED	NONE
B695	HEALTH-IMMUNIZATION PRGM/ENVIRONMENTAL HEALTH	695 S VERMONT AVE, LOS ANGELES 90010	73794	69368	LEASED	NONE
A600	CENTRAL CIVIL WEST COURTHOUSE	600 S COMMONWEALTH AVE, LOS ANGELES 90005	246536	203753	LEASED	6810
A529	MENTAL HEALTH-DOWNTOWN MENTAL HEALTH SERVICES	529 S MAPLE AVE, LOS ANGELES 90013	25000	21250	LEASED	NONE
3776	CULVER CITY COURTHOUSE	4130 OVERLAND AVE, CULVER CITY 90230	21568	11543	OWNED	NONE
5708	PUB LIB-CULVER CITY JULIAN DIXON LIBRARY	4975 OVERLAND AVE, CULVER CITY 90230	21406	17364	OWNED	NONE
X197	ISD-DIST 3 FACILITIES OPERATIONS SERVICE BLDG	11236 PLAYA CT, CULVER CITY 90230	30660	27419	OWNED	NONE
A430	ASSESSOR-WEST DISTRICT OFFICE	6120 BRISTOL PKWY, CULVER CITY 90230	30507	27456	LEASED	NONE
A437	DCFS WATERIDGE OFFICE	5100 W GOLDLEAF CIR BUILDING C, LOS ANGELES 90056	52370	46086	LEASED	NONE
5276	PH-DR RUTH TEMPLE PUBLIC HEALTH CENTER	3834 S WESTERN AVE, LOS ANGELES 90018	29023	16627	OWNED	NONE
A436	DPSS-EXPOSITION PARK FAMILY SERVICE CENTER	3833 S VERMONT AVE, LOS ANGELES 90037	255022	221000	LEASED	NONE
Y150	EXPOSITION PARK BUILDING & PARKING STRUCTURE	3965 S VERMONT AVE, LOS ANGELES 90037	66484	55228	OWNED	NONE
6306	DHS-H H HUMPHREY COMPREHENSIVE HEALTH CENTER	5850 S MAIN ST, LOS ANGELES 90003	143209	74189	OWNED	NONE
X301	LOS ANGELES AIRPORT COURTHOUSE	11701 S LA CIENEGA BLVD, LOS ANGELES 90045	292000	157380	FINANCED	NONE
5933	PH-CURTIS TUCKER PUBLIC HEALTH CENTER	123 W MANCHESTER BLVD, INGLEWOOD 90301	28734	16828	OWNED	NONE
6330	INGLEWOOD COURTHOUSE	1 E REGENT ST, INGLEWOOD 90301	140673	89483	OWNED	NONE
A338	DCFS COMPTON WEST OFFICE	11539 S HAWTHORNE BLVD, HAWTHORNE 90250	31832	27057	LEASED	NONE
B520	DPSS-SOUTHWEST FAMILY WS DISTRICT OFFICE	923 E REDONDO BLVD+C62, INGLEWOOD 90302	40000	27898	OWNED	27898
A614	DPSS-SOUTHWEST SPEC DIST (VERMONT VILLAGE)	1819 W 120TH BLVD, LOS ANGELES 90047-5102	88546	84119	LEASED	NONE
A643	SOUTH L.A. COUNTY ADMINISTRATION BUILDING	8300 S VERMONT AVE, LOS ANGELES 90044	210000	195500	LEASED	NONE
X419	BUILDING & SAFETY/PROBATION CENTINELA OFFICE	1320 W IMPERIAL HWY, LOS ANGELES 90044	30000	28500	OWNED	NONE
5721	DPSS-SOUTH CENTRAL AP DISTRICT OFFICE	10728 S CENTRAL AVE, LOS ANGELES 90002	51991	32463	OWNED	NONE
0006	ML KING-LEROY WEEKS MEDICAL SUPPORT BLD-NORTH	12021 S WILMINGTON AVE, LOS ANGELES 90059	53362	42157	FINANCED	NONE
5635	ML KING-MAIN HOSPITAL/ ACUTE UNIT BUILDING	12021 S WILMINGTON AVE, LOS ANGELES 90059	560493	302306	FINANCED	NONE
5881	ML KING-INTERNS & RESIDENTS BUILDING	12012 S COMPTON AVE, LOS ANGELES 90059	122600	80369	OWNED	NONE
6322	ML KING-AUGUSTUS F HAWKINS MENTAL HEALTH CTR	1720 E 120TH ST, LOS ANGELES 90059	235657	129695	OWNED	NONE
X213	ML KING-TRAUMA CARE AND DIAGNOSTIC CENTER	12021 S WILMINGTON AVE, LOS ANGELES 90059	192243	140000	FINANCED	NONE
X349	LYNWOOD REGIONAL JUSTICE CENTER COURT(CLOSED)	11701 S ALAMEDA ST, LYNWOOD 90262	62078	53480	FINANCED	53480
X351	CENTURY DETENTION-DETENTION ADMINISTRATION	11705 S ALAMEDA ST, LYNWOOD 90262	20706	17600	FINANCED	NONE
A551	DPSS-WFP&I & SOUTH REG IV IHSS/ADULT SERVICES	12000 HAWTHORNE BLVD, HAWTHORNE 90250	132996	106397	LEASED	NONE
6319	PUBLIC LIBRARY-A C BILBREW LIBRARY	150 E EL SEGUNDO BLVD, LOS ANGELES 90061	21843	18287	OWNED	NONE
A552	DCSS-WILLOWBROOK ONE-STOP CAREER CENTER	12700 AVALON BLVD, LOS ANGELES 90061	24706	23471	LEASED	NONE
5982	PUBLIC LIBRARY-COMPTON LIBRARY	240 W COMPTON BLVD, COMPTON 90220	43842	15830	OWNED	NONE
6420	COMPTON COURTHOUSE	200 W COMPTON BLVD, COMPTON 90220	344027	257217	OWNED	NONE
A556	DMH/DC&FS-COMPTON FAMILY SERVICES CENTER	921 E COMPTON BLVD, COMPTON 90221	60180	57172	LEASED	NONE
X169	DPSS-COMPTON AP DISTRICT OFFICE	211 E ALONDRA BLVD, COMPTON 90220	48135	38777	OWNED	NONE
C600	DPSS-SOUTH FAMILY AP/SPECIAL DISTRICT OFFICES	17600 S SANTA FE AVE, RANCHO DOMINGUEZ 90221	133000	103324	LEASED	NONE
4578	HARBOR-MAIN HOSPITAL BUILDING	1000 W CARSON ST, TORRANCE 90502	487137	251299	FINANCED	NONE
X206	HARBOR-PRIMARY CARE & DIAGNOSTIC CENTER	1000 W CARSON ST, TORRANCE 90502	57350	32335	FINANCED	NONE
Y737	HARBOR-AF PARLOW HEALTH LIBRARY	1000 W CARSON ST, TORRANCE 90502	22846	20003	OWNED	NONE
5861	PUBLIC LIBRARY-CARSON LIBRARY	151 E CARSON ST, CARSON 90745	33112	27001	OWNED	NONE
A959	DPSS-PARAMOUNT AP DISTRICT/GAIN PROGRAM REG V	2959 E VICTORIA ST, RANCHO DOMINGUEZ 90221	54000	44280	LEASED	NONE
A242	DPSS-MEDICAL INGLEWOOD OFFICE	9800 S LA CIENEGA BLVD, INGLEWOOD 90301	54722	51986	LEASED	NONE

**LEASE AND AGREEMENT**

**COUNTY OF LOS ANGELES  
Chief Executive Office**

**For**

**Department of Mental Health**

**with**

**Stocker Plaza Associates**

**3751 Stocker Street  
Los Angeles**



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**Supplemental Lease Documents:**

**Document I: Subordination, Non-disturbance and Attornment Agreement**

**Document II: Tenant Estoppel Certificate**

**Document III: Community Business Enterprises Form**

**Document IV: Memorandum of Lease Terms**

**Document V: Request for Notice**

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AGREEMENT

THIS LEASE is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2010  
between STOCKER PLAZA ASSOCIATES ("Landlord"), and COUNTY OF LOS  
ANGELES, a body politic and corporate ("Tenant").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1. Terms

The following terms as used herein shall have the meanings provided in this  
Section 1, unless otherwise specifically modified by provisions of this Lease:

a. Landlord's Address For Notice:	Randy Johnson P.O. Box 2469 Port Angeles, Washington, 98362  With a copy to:  James Jones 3741 Stocker, Suite 205 Los Angeles CA 90008
b. Tenant's Address For Notice:	Board of Supervisors Kenneth Hahn Hall of Administration, Room 383 500 West Temple Street Los Angeles, California 90012  With a copy to:  Chief Executive Office Real Estate Division 222 South Hill Street, 3 <sup>rd</sup> Floor Los Angeles, California 90012 Attention: Director of Real Estate Fax Number: (213) 217- 4971
c. Premises:	Approximately 19,936 rentable square in the Building (defined below).

d. Building:	The Building is located at 3751 Stocker Street, Los Angeles which is located upon the real property described more particularly in Exhibit B attached hereto (the "Property");
e. Term:	Seven (7) years commencing upon full execution of this Lease by the parties as defined in section 4 (a) (the "Commencement Date"); and terminating at midnight on the day before the 7 <sup>th</sup> anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
f. Projected Commencement Date:	Upon approval by the Board of Supervisors.
g. Commencement Date:	_____
h. Basic Rent:	\$35,884.80 per month (which is based upon a rental rate of \$1.80 per rentable square foot), adjustable only as provided in Section 2.2 hereof.
i. Early Termination Notice Date:	Any time after the Forty-Eighth (48 <sup>th</sup> ) month of the Lease Term, upon one hundred twenty (120) days written notice to Landlord and the reimbursement of the unamortized balance of the Additional Tenant Improvement and Change Order Allowances (if any).
j. Use:	General office use or for any other lawful purposes not incompatible with other uses in the Buildings.
k. Initial Departmental Use:	<u>Department of Mental Health</u>

l. Parking Spaces:	Sixty (60) exclusive parking spaces (nontandem).
m. Normal Working Hours:	7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 2:00 p.m. Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.
n. Asbestos Report:	A report dated November 2, 2009 prepared by Unmack Everett Environmental a licensed California Asbestos contractor.
1.2. Defined Terms Relating to Improvements:	
a. Base Tenant Improvement Allowance:	\$239,232.00 (\$12.00/sq. ft.). Landlord agrees to complete the improvements to Premises within 90 days of the date Landlord receives an executed copy of this Lease Agreement.
b. Additional Tenant Improvement Allowance:	\$99,680.00 (\$5.00 /sq. ft.)
c. Maximum Change Order Allowance:	N/A
d. Additional Tenant Improvement and Change Order Amortization Rate:	8% per annum calculated based on payments at the beginning of the period.
e. Basic Rent Reduction:	Fifteen and 59/100 Dollars (\$15.59) per month
f. Tenant's Representative:	Farron Chavarria (213) 974-4155
g. Landlord's Representative:	James Jones (213) 292-0405
h. Landlord's Address for Work Notice:	James Jones 3741 Stocker, Suite 205 Los Angeles CA 90008

<p>i. Tenant's Address for Work Notice</p>	<p>Board of Supervisors Kenneth Hahn Hall of Administration, Room 383 500 West Temple Street Los Angeles, California 90012</p> <p>With a copy to:</p> <p>Chief Executive Office Real Estate Division 222 South Hill Street, 3<sup>rd</sup> Floor Los Angeles, California 90012 Attention : Director of Real Estate Fax Number: (213) 217-4971</p>
<p>1.3. Exhibits to Lease:</p> <p>(executed concurrently with this Lease and made a part hereof by this reference):</p>	<p>Exhibit A - Floor Plan of Premises Exhibit B - Legal Description of Property Exhibit C - Memorandum of Tenant Improvement Cost Exhibit D - HVAC Standards Exhibit E - Cleaning and Maintenance Exhibit F - Occupancy Rules and Regulations</p>
<p>1.4. Improvements- Exhibit G:</p> <p>(in lieu of Work Letter, executed concurrently with this Lease and made a part hereof by this reference):</p>	<p>Improvements: Preparation of Premises subject to Exhibit G</p>
<p>1.5. Supplemental Lease Documents:</p> <p>(delivered to Landlord and made a part hereof by this reference):</p>	<p>Document I: Subordination, Non-disturbance and Attornment Agreement Document II: Tenant Estoppel Certificate Document III: Community Business Enterprises Form Document IV: Memorandum of Lease Document V: Request for Notice</p>

## 2. PREMISES

2.1. Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.



2.2. Tenant shall have the right within 90 days of approval of this Lease by the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable/usable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-1996, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement for Premises. Should this measurement be less than the square footage stated above, Tenant shall have the right to adjust such square footage and reduce the Basic Rent in Section 1 accomplished by the mutual execution of a memorandum of understanding between the Landlord and the Tenant. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no adjustment made to either the square footage or the Basic Rent in the event the measured square footage exceeds the amount represented by Landlord. Should Landlord and Tenant not agree with respect to the results of the measurement conducted pursuant to this Subsection 2.2 Landlord shall appoint an independent firm or person who is experienced in making such measurements whose determination with respect to which measurement is correct shall be final and binding upon the parties. Landlord and Tenant shall share equally in the fees of such firm.

### 3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and other tenants of the Buildings: the entrances, lobbies and other public areas of the Buildings, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord.

### 4. COMMENCEMENT AND EXPIRATION DATES

#### 4.1. Term

- a. The term of this Lease shall commence upon the approval of this Lease by the Board of Supervisors (the "Commencement Date") and terminate seven (7) years thereafter.

#### 4.2. Option to Renew

Tenant shall have the option to renew this Lease for a period of five (5) years (the "Option") under the same terms and conditions, except that the rental rate shall be adjusted by negotiation to the fair rental rate. Tenant shall notify Landlord in writing (by letter from Tenant's Chief Executive Office) not less than 60 days prior to expiration of the Lease term of

Tenant's intention to exercise its Option. The actual exercise of the Option shall be only by the Board of Supervisors of the County of Los Angeles.

4.3. Termination Right

If the Commencement Date has not occurred within 60 days from the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays, Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

4.4. Early Possession

Tenant shall be entitled to possession of the Premises not less than 30 days prior to the Commencement Date for the purposes of installing Tenant's furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions hereof but shall not advance the Termination Date, and Tenant shall not pay Basic Rent for such early occupancy period.

4.5. Early Termination

a. Original Term:

Tenant shall have the right to terminate this Lease at any time after the Early Termination Notice Date, as defined in Section 1, by giving Landlord not less than one hundred twenty (120) days prior written notice executed by the Chief Executive Officer of Tenant.

b. Option Period:

In the event Tenant exercises the Option, as provided in Paragraph 4.2, Tenant shall also have the right to cancel this Lease at the thirtieth (30<sup>th</sup>) month of the Option term by providing Landlord no less than sixty (60) days prior written notice by letter from Tenant's Chief Executive Office.

5. RENT

5.1. Rent

Tenant shall pay Landlord the Basic Rent stated in Section 1 during the Term hereof within fifteen (15) days of the Commencement Date in the total amount shown in Section 1(h) hereof. A monthly installment in the same amount, subject to the adjustments described herein below, shall be due and payable without demand on or before the first day of each calendar month succeeding the Commencement Date during the Term, except that Basic Rent for any partial month at the commencement or end of the Term

except that Basic Rent for any partial month shall be prorated in proportion to the number of days in such month.

5.2. Rental Adjustment

- a. For each successive twelve (12) months of the original Term of this Lease and in the event Tenant exercises its Option pursuant to Paragraph 4.2 hereof for each successive twelve (12) month period thereafter, the monthly rental as set forth in Paragraph 1.1 hereof shall be subject to adjustment. From and after the first anniversary date of the first day of the first full calendar month following the commencement of this Lease and every twelve months thereafter, the rent shall be adjusted in accordance with the CPI formula set forth in this Section 5.2. The "Base Index" shall be the Index published for the month the lease commences.
- b. CPI Formula: The method for computing the annual rental adjustment shall be by reference to the Consumer Price Index for all Urban Consumers for the Los Angeles-Anaheim-Riverside area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84 = 100), herein referred to as the "Index".

The rental adjustment for the Base Rent shall be calculated by multiplying the Landlord's Base Rent of \$35,884.80 per month by a fraction, the numerator being the New Index and the denominator being the Base Index. The New Index is the Index published for the month immediately preceding the month the adjustment is to be effective, and the Base Index is the Index published for the month the Lease commences.

The formula shall be illustrated as follows:

$$(\text{New Index} \div \text{Base Index}) \times \$35,884.80 (\text{Base Rent}) = \text{New Monthly Rent}$$

If the Index is changed so that the base year of the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United State Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised. In the event the parties are unable to agree upon a substitute index (if the original Index is discontinued without a replacement) then upon demand by either party, the matter shall be submitted to arbitration for the purpose of determining an alternate method of computing the rent adjustment based upon the increase in the cost of living.

- c. General Provisions:

- i. In no event shall the monthly rent adjustment based upon the CPI formula result in an annual increase greater than four percent (4%) per year of the monthly base year rent of \$35,884.80 (i.e., \$1,435.39 per month, annually).
- ii. In no event shall the monthly rent be adjusted by the CPI formula to result in a lower monthly rent than was payable during the previous year of the Lease.
- iii. In the event the Option is exercised, the Base Index shall be the Index published for the month the Option term commences. The Base Rent will be readjusted per Section 5.1 hereof.

6. USES

The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to change of use.

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at the last monthly Basic Rent payable under this Lease (as such Basic Rent may be adjusted from time to time in accordance with this Lease) plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvement to the Premises.

9. DAMAGE OR DESTRUCTION

9.1. Damage

In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the

same value, condition and character that existed immediately prior to such casualty in less than 180 days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made untenable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and /or vandalism to the improvements. Landlord shall promptly, but in any event within ten days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again using standard working methods. The failure to do so shall be a material Default hereunder. Basic Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2. Tenant Termination Right

In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days for any reason, then Tenant may terminate this Lease by giving written notice within ten days after notice from Landlord specifying such time period of repair; and this Lease shall terminate and the Basic Rent shall be abated from the date the Premises became untenable. In the event that Tenant does not elect to terminate this Lease, Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises.

9.3. Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than 30 days after such destruction, in which case:

- a. Landlord shall have no obligation to restore the Premises,
- b. Landlord may retain all insurance proceeds relating to such destruction, and
- c. This Lease shall terminate as of the date which is 30 days after such written notice of termination.

9.4. Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may:

- a. Declare a default hereunder or
- b. Perform or cause to be performed the restoration work and deduct the cost thereof plus interest thereon at ten percent (10%) per annum, from the Basic Rent next due as a charge against the Landlord.

## 10. REPAIRS AND MAINTENANCE

### 10.1. Landlord Representations

Landlord represents to Tenant that:

- a. The Premises, the Building and all Common Areas (including without limitation electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes and ordinances, including without limitation the Americans With Disabilities Act, and are in good working order and condition;
- b. The Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirement; and
- c. The Premises, Building and Common Areas are free of the presence of Hazardous Materials (as hereinafter defined) and
- d. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

### 10.2. Landlord Obligations

- a. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed.
  - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intra-Building network cable
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the building
  - iii. the Common Areas;
  - iv. exterior windows of the Building; and
  - v. elevators serving the Building.

- b. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to:
  - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed but not less often than after five years of use);
  - ii. interior partitions;
  - iii. doors;
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five years and
  - v. signage.

#### 10.3. Tenant Obligations

Without limiting the foregoing, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

- a. be made and performed by contractors or mechanics approved by Tenant, which consent shall not be unreasonably withheld or delayed,
- b. be at least equal in quality, value and utility to the original work or installation, and
- c. be in accordance with all laws.

#### 10.4. Tenant's Right To Repair

If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than five days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall

be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 14.

## 11. SERVICES AND UTILITIES

### 11.1. Landlord shall furnish the following services and utilities to the Premises.

#### a. Services

##### i. HVAC

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit D attached hereto.

##### ii. Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

##### iii. Elevators

Landlord shall furnish freight and passenger elevator services to the Premises during Normal Working Hours. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as-needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service.

##### iv. Water

Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises

##### v. Access



Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

b. Janitorial Services

Landlord shall provide janitorial services in accordance with the Cleaning and Maintenance Schedule attached to this Lease as Exhibit E. Landlord shall also agree to provide janitorial supplies at Landlord's sole expense.

11.2. Tenant shall pay the following utilities to the Premises:

Tenant agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any governmental authority, all water, sprinkler standby charges, electricity, gas, and other lighting, heating, and power charges, associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises during the Term of this Lease or any renewal, extension, Option term or holdover thereof, whether the same are pro-rated or measured by separate meters.

12. LANDLORD ACCESS

12.1. Unrestricted Areas

- a. Tenant agrees to permit the Landlord or Landlord's authorized agents free access to all unrestricted areas in the Premises at all reasonable times for the purpose of inspection or for making necessary improvements, repairs or maintenance.
- b. Landlord shall have the right at any time to enter the unrestricted areas of the Premises in the event of an emergency.

12.2. Restricted Areas

For the purposes of inspection or for the making of necessary improvements, repairs or maintenance to restricted areas in the Premises,

- a. Upon prior written notice, of no less than 24 hours, Tenant agrees to permit Landlord and its agents; County supervised access to all restricted Patient File Rooms at all reasonable times.
- b. In the event of an after hour emergency, Landlord is to contact the Mental Health Clinical District Chief or the Mental Health Clinical Program Head to gain access to the restricted Patient File Rooms in the Premises.

12.3. Temporary Building Closures

If Landlord temporarily closes any portion of the Building or Premises, the Base Rent shall be prorated based upon the percentage of the Premises or Building rendered untenable and not used by Tenant.

### 13. TENANT DEFAULT

#### 13.1. Default

The occurrence of any one or more of the following events (a "Default") shall constitute a material default and breach of this Lease by Tenant:

- a. the failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten days after written notice to Tenant;
- b. the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of 30 days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

#### 13.2. Termination

Tenant agrees that if a default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

#### 13.3. No Effect On Indemnity

Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

### 14. LANDLORD DEFAULT

#### 14.1. Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.3, 19 and 20.2, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five days after the giving of written notice with respect thereto by Tenant (which notice

shall be, if appropriate, the same notice given under Section 10.3); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- a. to remedy such default or breach and deduct the costs thereof (including but not limited to attorneys' fees) plus interest at the rate of ten (10%) per annum from the installments of Basic Rent next falling due;
- b. to pursue the remedy of specific performance;
- c. to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against the Base Rent installments next coming due; and/or
- d. to terminate this Lease.

#### 14.2. Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

#### 14.3. Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises.

### 15. ASSIGNMENT AND SUBLETTING

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises; however Tenant shall first obtain Landlord's prior consent, which Landlord shall not unreasonably withhold. Furthermore, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

## 16. ALTERATIONS AND ADDITIONS

### 16.1. Landlord Consent

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- a. Complies with all Laws;
- b. Is not visible from the exterior of the Premises or Building;
- c. Will not materially affect the systems or structure of the Building; and
- d. Does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.

If Landlord fails to respond in writing within 30 days of such request, Landlord shall be deemed to approve the Alterations.

### 16.2. End of Term

Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term. Landlord may request Tenant remove at its own expense all fixtures, equipment and all other personal property placed or installed in or upon the Premises.

## 17. CONDEMNATION

### 17.1. Controlling Terms

If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor, either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

#### 17.2. Total Taking

If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

#### 17.3. Partial Taking

If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days or later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within 30 days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated.

#### 17.4. Restoration

Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, complete it within 90 days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 17.5. Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

#### 17.6. Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

## 18. INDEMNIFICATION

### 18.1. Tenant's Indemnity

Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Buildings or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its employees, officers, agents, licensee, contractors, invitees or guests or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence or willful misconduct of Landlord, or its officers, contractors licensees, agents, employees or invitees.

### 18.2. Landlord's Indemnity

Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

## 19. INSURANCE

### 19.1. Landlord's insurance

During the term of this Lease, Landlord shall maintain the following insurance:

- a. Commercial property insurance which shall:
  - i. cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is

- reasonably available and priced at commercially reasonable rates) and
- ii be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value.
- iii. Landlord shall not carry insurance on any furniture and furnishings which are the property of Tenant including all tenant owned modular furniture.

Insurance proceeds shall be payable to Landlord and Tenant as their interests may appear and be utilized for repair and restoration of the Premises to the extent required hereunder.

- b. General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:
  - i. per occurrence and general aggregate amount of \$5,000,000;
  - ii products/completed operations aggregate of \$2,000,000 and
  - iii. personal and advertising injury of \$1,000,000.
- c. Failure by Landlord to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

#### 19.2. Tenant's Insurance

During the term of this Lease, Tenant shall maintain (including under program of self-insurance) insurance on all of Tenant's personal property, furniture and equipment in the Premises (including all modular furniture installed in the Premises).

#### 19.3. Insurance Requirements

All insurance policies required to be maintained by Landlord under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified to do business in the State of California. All liability and property damage and other casualty policies of Tenant shall be written as primary policies, not contributing with, and not in excess of coverage which Landlord may carry.

#### 19.4. Certificates

Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter upon renewal or replacement of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates shall include the address of the leased Premises and must document that each party has named the other as an additional insured (or equivalent) on its general liability and property insurance policy, and that Tenant has been named a

loss payee on Landlord's commercial property insurance policy, as required. Further, all certificates shall expressly provide that no less than 30 days' prior written notice shall be given to Tenant in the event of material change to , expiration or cancellation of the coverages or policies evidenced by the certificates.

#### 19.5. Waiver of Subrogation

Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies (or self-insurance) required to be carried hereunder. If required by the terms of its policy, Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

### 20. PARKING

#### 20.1. Tenant's Rights

Tenant shall have the right to the number of parking stalls set forth in Section 1 without charge for the Term of this Lease. No tandem parking shall be permitted and Tenant shall be entitled to full in/out privileges. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all such parking space are to be used on an exclusive use basis by Tenant, and its invitees. Landlord shall clearly mark and designate all Tenant parking spaces.

#### 20.2. Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receive all of the Parking Spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the Parking Spaces required above are not available to Tenant, (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation) Tenant may:

- a. terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective 30 days thereafter or
- b. Deduct from the Basic Rent thereafter accruing hereunder an amount each month equal to the Basic Rent times the percentage of Parking Spaces not so provided times 1.5 but such deduction from Basic Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%).

### 21. ENVIRONMENTAL MATTERS



### 21.1. Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Buildings or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and /or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Buildings or the Common Areas.

### 21.2. Landlord Indemnity

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Buildings or Common Areas or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Buildings or the Premises.

Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

## 22. ESTOPPEL CERTIFICATES

Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently herewith (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

## 23. TENANT IMPROVEMENTS

### 23.1 Base Tenant Improvements:

Landlord agrees, at its sole expense, to provide Tenant with an allowance of \$12.00 per rentable square foot (i.e. \$239,232.00) (the "**Base Tenant Improvement Allowance**"), following the Term Commencement Date, to be used to perform the work more particularly described in Exhibit G attached hereto and incorporated herein by this reference (collectively, the "**Improvements**"). The Improvements shall be performed using Building standard materials, procedures and specifications, as set forth in Exhibit G hereto. Landlord agrees to perform the Improvements before 7:00 a.m. or after 6:00 p.m. on Mondays through Fridays and/or any time on weekends. Tenant hereby agrees to use its best efforts to cooperate with Landlord in connection with the construction of the Improvements. Notwithstanding the immediately preceding sentence, in connection with the performance of the Improvements, Landlord agrees to move, to the extent necessary, but at no liability to the Landlord, Tenant's furniture and such other items as Landlord may require be moved in order to perform the Improvements; provided, however, Tenant shall be required to move Tenant's computers, copiers, and other personal property which Landlord or its contractor may request be moved. Notwithstanding the foregoing, Landlord shall use its commercially reasonable efforts to perform the Improvements in a manner so as to minimize unreasonable interferences with Tenant's business at the Premises. Landlord shall endeavor to perform all Improvements within three (3) months of the approval of this Lease by the Board of Supervisors of the County of Los Angeles.

The Landlord shall submit three bids for the construction of the Improvements to the County for its review prior to award of the contract. The bids shall include an itemized list of all materials and labor and shall include all additional costs including A/E fees, permits, reasonable contractor's profit and overhead, and project management fees. Three bids for the purchase and installation of the office furniture system, prepared by

the furniture dealer, shall be included in the construction estimates, if applicable.

The cost of the Improvements shall not include any costs incurred for asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All said work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord and shall not be counted toward the Base Tenant Improvement Allowance. Costs of Improvements shall not include items covered in section 10.2 (a).

**23.2 Additional Tenant Improvements:**

It is anticipated that the cost of the Improvements will exceed the Base Tenant Improvement Allowance, and Tenant's Chief Executive Office may authorize Landlord to pay the overage in an amount not exceeding the Additional Tenant Improvement Allowance of \$5 per rentable square foot (i.e. \$99,680) (the "**Additional Tenant Improvement Allowance**"). The Additional Tenant Improvement Allowance shall be reimbursed to Landlord as provided herein.

**23.3 Method of Payment:**

That portion of the Additional Tenant Improvement Allowance used to pay for the cost of the Improvements may, at Tenant's election, be reimbursed to Landlord (i) in a lump sum when the Tenant Improvements are Substantially Complete, or (ii) in equal amortized monthly payments over the term of the Lease (or shorter) at the Tenant Improvement Amortization Rate. Tenant may at any time during the Term prepay Landlord in a lump sum for all or any portion of the cost of the Improvements, amortizing any remaining amount in monthly payments over the term of the Lease (or shorter as determined by Tenant) at the Tenant Improvement Amortization Rate.

**23.4 Unused Allowance:**

In the event that all or a portion of the Base Tenant Improvement Allowance is not utilized for the Improvements, then such unused amount shall be credited to the Basic Rent owed by Tenant pursuant to Paragraph 1.1 (h) of the Lease, over the Lease term at the rate of Fifteen and 59/100 (\$15.59) per month for each ONE THOUSAND DOLLARS (\$1,000.00) of unused Base Tenant Improvement amount, or Landlord may elect to credit the unused amount to Basic Rent for the two (2) months (or more, if required) immediately following completion of the Improvements. Landlord shall provide to Tenant a detailed breakdown of the total Improvements costs. Such breakdown shall be in the form of the Memorandum of Tenant Improvement Cost attached hereto as Exhibit C and incorporated herein by this reference and shall be executed by the parties within thirty (30) days

after Landlord delivers the same to Tenant. Tenant shall have the right to audit such costs for a period of twelve (12) months from the date such breakdown is delivered to Tenant. The Tenant's Chief Executive Office ("CEO") shall be authorized to sign the Memorandum of Tenant Improvement Cost on behalf of the Tenant.

#### 23.5 Delays:

Landlord shall diligently perform Improvements within timeframe specified in provision 23.1, subject to any cessation that may be caused by Force Majeure Delays.

### 24. LIENS

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or material ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

#### 24.1 Property Taxes:

Landlord shall pay promptly all real property taxes, assessments and special assessments which may be levied or assessed against the Premises during the term of this Lease or any Option term, renewal or holdover period thereof. In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may give Lessor thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the installments of rent next due as a charge against the Landlord. Tenant shall not, during the term of this Lease, or any extension, option or holdover period thereof, be liable for increases in real property taxes that result from changes in ownership of the Premises. For purposes of this Lease, "change in ownership" has the same definition as in California Revenue and Taxation Code Sections 60-69.5, or any amendments or successor statutes to said Sections.

### 25. SUBORDINATION AND MORTGAGES

#### 25.1. Subordination And Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Document I of the Supplemental Lease Documents delivered to Landlord concurrently herewith and provided further that no such subordination shall affect any option to extend the Term of this Lease, right

of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

25.2. Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Buildings shall provide a written agreement to Tenant in the form of Document I of the Supplemental Lease Documents delivered to Landlord concurrently herewith within 30 days after the execution of this Lease.

25.3. Request for Notice

Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the Property in the form of Document V of the Supplemental Lease Documents delivered to Landlord concurrently herewith.

25.4. Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any Notice of Default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional ten days within which to cure such Default.

26. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including without limitation any modular furniture).

27. SIGNAGE

Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

28. QUIET ENJOYMENT

So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

## 29. GENERAL

### 29.1. Headings

Titles to sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

### 29.2. Successors and Assigns

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

### 29.3. Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

### 29.4. Entire Agreement

This Lease (and Supplemental Lease Documents) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

### 29.5. Severability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

### 29.6. Notices

All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for

Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

29.7. Governing Law and Forum

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

29.8. Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

29.9. Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

29.10. Consent

Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

29.11. Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Document III in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

29.12. Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Document IV in the Supplemental Lease Documents delivered to Landlord concurrently herewith, which Memorandum may be recorded by Tenant in the Official Record of Los Angeles County.

### 30. AUTHORITY

Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County or its delegee (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

### 31. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

#### 31.1. Consideration of GAIN Program Participants

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

#### 31.2. Solicitation of Consideration

It is improper for any County officer employee or agent to solicit consideration in any form from a landlord with the implication, suggestion or



statement that the Landlord's provision of the consideration may secure more favorable treatment for the Landlord in the award of the Lease or that Landlord's failure to provide such consideration may negatively affect the County's consideration of the Landlord's offer to lease. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County Manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Landlord's submission being eliminated from consideration.

### 31.3. Landlord Assignment

- a. Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in the Section are met.
- b. Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- c. Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with collateralized mortgage backed securities ("CMBS") financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- d. Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is

- further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- e. Landlord shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of Basic Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.
  - f. Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent. Landlord shall indemnify,, defend and hold County and its officers, agents and employee harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.
  - g. The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

## 32. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Real Estate Management Commission of Los Angeles County (if applicable) in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

**STOCKER PLAZA ASSOCIATES**

By:  Manager/Member  
Randy Johnson  
Manager/Owner Member

TENANT:

**COUNTY OF LOS ANGELES**  
a body politic and corporate

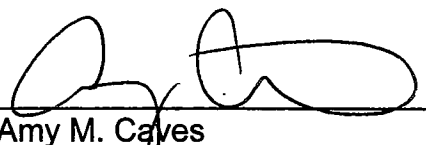
By: \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

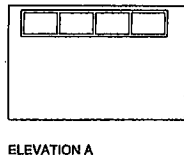
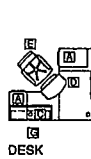
Sachi A. Hamai  
Executive Officer-Clerk  
of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:  
ANDREA SHERIDAN ORDIN  
COUNTY COUNSEL**

By:   
Amy M. Cayes  
Senior Deputy: County Counsel

FLOOR PLAN



NOTES:

- See Outline Specifications dated 1/14/10 for additional information
- See plans prepared by County of Los Angeles, Internal Services Department, Information Technology Services, for additional information.
- Verify exact locations of the power and data outlets, and specific electrical requirements, with county.

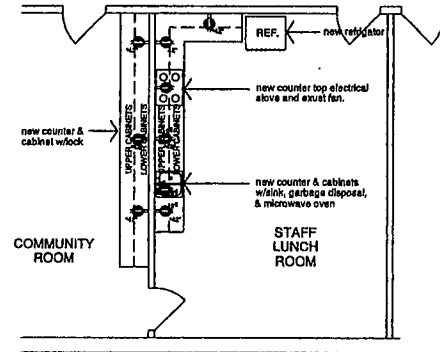
LEGEND

- existing wall
- existing wall to be removed
- new full-height, sound-insulated wall
- existing door
- existing door to be removed
- new solid-core door
- door lock
- new duplex electrical wall outlet
- new voice/data wall outlet

FURNITURE

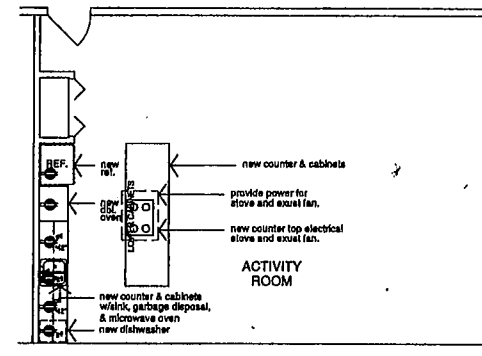
- A 15" WIDE, PEDESTAL, BOX, BOX, FILE WITH PENCIL TRAY AND LOCK SET
- B FREE STANDING DESK SHALL BE WOOD LAMINATE, WITH GROMMETS
- C OVERHEAD STORAGE BIND, WITH TASK LIGHT AND LOCK SET
- D HUMANSIZE KEY BOARD MODEL # 5G90090HG ( NO SUBSTITUTION)
- E MID BACK TASK CHAIR, ADJUSTIBLE ARMS, HEIGH, AND BACK REST, TILT BACKREST MECHANISM. GRADE "C" FABRIC
- F 36" WIDE, 4-DRAWER LATERAL FILE WITH HORIZONTAL FILE SUPPORT BARS FOR LEGAL AND STD. FILES, LOCK SET AND COUNTER WEIGHTS.
- G TACK BOARD UNDER OVERHEAD WITH GRADE "C" FABRIC.

- The furniture manufacturer/dealer shall field verify existing building conditions; coordinate all electrical and voice/data outlet requirements and locations with Nelson Chan, County Telecommunications Engineer, 562-477-3928, and prepare a complete installation drawing.



PARTIAL SECOND FLOOR PLAN

SCALE: 1/8"=1'-0"



PARTIAL FIRST FLOOR PLAN

SCALE: 1/8"=1'-0"

PARTIAL FIRST FLOOR PLAN

SCALE: 1/8"=1'-0"

THIS A PRELIMINARY DRAWING  
THIS IS NOT A CONSTRUCTION DRAWING  
THIS DRAWING IS TO BE USED FOR REFERENCE ONLY  
ANY DEVIATION BETWEEN THIS PLAN AND THE CONSTRUCTION DOCUMENTS  
SHALL BE THE SOLE RESPONSIBILITY OF THE GENERAL CONTRACTOR

DATE 6/2/09	APPROVALS lessor client department client department chief real estate	INFORMATION SANJAY designer FARRON CHAVARRIA agent checked by rentable sq. ft.	DEPARTMENT OF MENTAL HEALTH 3751 STOCKER STREET LOS ANGELES, CA	COUNTY OF LOS ANGELES REAL ESTATE DIVISION FACILITIES DESIGN 222 South Hill Street, Los Angeles, California 90012	FILE NO. 08-08 SHEET NO. 1 of 1 sheets
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## **EXHIBIT B**

### **LEGAL DESCRIPTION OF PROPERTY**

PART OF RANCHO CIENEGA O'PASO DE LA TIJERA OWNED BY A J HUTCHINSON AND E J BALDWIN 0.80 MORE OR LESS AC COM N 57° 53' 23" W 45 FT AND S 32° 06' 37" W 40 FT AND NW ON A CURVE CONCAVE TO NE RADIUS.

COMMONLY KNOWN AS ASSESSOR IDENTIFICATION NO. 5032-022-004

## EXHIBIT C

### MEMORANDUM OF TENANT IMPROVEMENT COST

Reference is made to that certain Lease ("Lease") dated \_\_\_\_\_, 2010 between County of Los Angeles, a body politic and corporate ("Tenant"), and STOCKER PLAZA ASSOCIATES ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 3751 Stocker Street, Los Angeles ("Premises"),

Landlord and Tenant hereby acknowledge the following:

- 1) Landlord represents that the Tenant Improvement Work to the Premises is in a Substantially Complete condition as of \_\_\_\_\_.
- 2) The amount of the unused Base Tenant Improvement Allowance shall be credited to Basic Rent owed by the Tenant pursuant to Section 23.4 of this Lease immediately following completion of the Improvements, payable within 30 days of execution of this Exhibit.
- 3) Landlord and Tenant hereby confirm the final total cost of the Improvements for the demised Premises which have been completed pursuant to Section 23 of this Lease is: \_\_\_\_\_ (\$ \_\_\_\_\_).

(a) This is comprised of :

<u>Lease Budget:</u>	<u>Actual Cost:</u>
\$239,232.00 Base Tenant Improvement Allowance	\$ _____
\$ 99,680.00 Additional Tenant Improvement Allowance	\$ _____
Total	\$ _____

(b) Additional Tenant Improvements per section 23.3 to be amortized over \_\_\_\_\_ ( ) years.

- 4) The remaining balance of the Base Tenant Improvement Allowance available for Tenant as unused allowance pursuant to Paragraph 23.4 of this Lease, equals \$ \_\_\_\_\_.

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

<b>Tenant:</b>  <b>COUNTY OF LOS ANGELES</b> a body politic and corporate   <b>By:</b> _____ Name _____ Its _____	<b>Landlord:</b>  <b>STOCKER PLAZA ASSOCIATES</b>   <b>By:</b> _____ Name _____ Its _____
---	--

## **EXHIBIT D**

### **HEATING, VENTILATION AND AIR CONTITIONING**

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit we bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

## **EXHIBIT E**

### **CLEANING AND MAINTENANCE**

#### **1. DAILY (Monday through Friday)**

- A. Carpets vacuumed.
- B. Composition floors dust-mopped.
- C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
- D. Waste baskets, other trash receptacles emptied.
- E. Chairs and waste baskets returned to proper position.
- F. Fingerprints removed from glass doors and partitions.
- G. Drinking fountains cleaned, sanitized and polished.
- H. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
- I. Bulb and tube replacements, as required.
- J. Graffiti expunged as needed within two working days after notice by Tenant
- K. Floors washed as needed.
- L. Kitchen/lunchroom supplies replenished including paper supplies and soap.

#### **2. WEEKLY**

- A. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
- B. Window sills, ledges and wood paneling and molding dusted.

#### **3. MONTHLY**

- A. Floors washed and waxed in uncarpeted office area.
- B. High-reach areas, door frames and tops of partitions dusted.
- C. Upholstered furniture vacuumed, plastic and leather furniture wiped
- D. Picture moldings and frames dusted.
- E. Wall vents and ceiling vents vacuumed.
- F. Carpet professionally spot cleaned as required to remove stains.
- G. HVAC chiller water checked for bacteria, water conditioned as necessary.

#### **4. QUARTERLY**

- A. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- B. Wood furniture polished.
- C. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly. HVAC units serviced for preventative maintenance purposes, all filters changed.



## **EXHIBIT E**

### **CLEANING AND MAINTENANCE**

#### **5. SEMI-ANNUALLY**

Windows washed as required inside and outside but not less frequently than twice annually.

- A. All painted wall and door surfaces washed and stains removed.
- B. All walls treated with vinyl covering washed and stains removed.

#### **6. ANNUALLY**

- A. Furniture systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
- B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

#### **7. AS NEEDED**

- A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
- C. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning:
  - i. heavy traffic areas as needed with a minimum frequency of bi-monthly [six (6) times per year];
  - ii. moderate traffic areas cleaned as needed with a minimum of once every six (6) months [two (2) times per year]; and
  - iii. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

## **EXHIBIT E**

### **CLEANING AND MAINTENANCE**

- D. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence"). The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

#### **8. GENERAL**

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

## **EXHIBIT F**

### **GENERAL OCCUPANCY RULES AND REGULATIONS**

1. Tenant shall not permit the obstruction of any Common Areas, including driveways, walkways and stairways.
2. Tenant shall not make or permit any noise or odors that annoy or interfere with other Tenants or persons having business within the Office Building Project.
3. Tenant shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
4. Tenant shall not keep animals or birds nor shall Tenant feed or provide shelter to stray animals or birds.
5. Tenant shall not make or permit litter except in appropriate receptacles for that purpose.
6. Tenant shall not alter any lock or install any new or additional locks or bolts to any authorized Landlord accessible area without providing landlord with a new set of keys.
7. Tenant shall not deface the walls or other surfaces of the Premises or Office Building Project.
8. Tenant shall not place any thing in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Office Building Project in excess of the floor capacity.
9. No window coverings, shades or awning shall be installed or used by Tenant without the written consent of the Landlord.
10. No Tenant , employee or invitee shall go upon the roof of the Building.
11. Tenant shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Landlord or by applicable governmental agencies as non-smoking areas.
12. Tenant shall not use any method of heating or air conditioning other than as provided by Landlord.
13. Tenant shall not install, maintain or operate any vending machines upon the Premises without Landlord written consent.

## **EXHIBIT F**

### **GENERAL OCCUPANCY RULES AND REGULATIONS**

14. The Premises shall not be used for lodging or manufacturing.
15. Tenant shall comply with all safety, fire protection and evacuation regulations established by Landlord or any applicable governmental agency including Tenant.
16. Landlord reserves the right to close and lock the Building on Saturdays, Sundays and legal holidays, and on other days between the hours of 9 P.M. and 6 A.M. of the following day. If Tenant uses the Premises during such periods, Tenant shall be responsible for securely locking any doors it may have opened for entry.
17. Landlord reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Premises and its occupants. Tenant agrees to abide by these and such rules and regulations.

### **PARKING RULES**

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Landlord for such activities.
3. Parking stickers or identification devices shall be the property of Landlord and be returned to Landlord by the holder thereof upon termination of the holder's parking privileges. Tenant will pay such replacement charge as is reasonably established by Landlord for the loss of such devices.
4. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
5. Validation, if established, will be permissible only by such method or methods as Landlord and/or its licensee may establish at rates generally applicable to visitor parking.
6. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.

## **EXHIBIT F**

### **GENERAL OCCUPANCY RULES AND REGULATIONS**

7. Landlord reserves the right in its sole discretion and without further specific notice to the Tenant, to tow away any vehicle parked in the facility parking area without permission or authority, which cost of removal will be borne by the owner of the removed vehicle. Tenant agrees to indemnify the Landlord against all claims by the Tenant, its employees, or guests whether they be invited or uninvited, with respect to the removal of any unauthorized vehicle.
8. Landlord reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
9. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

## EXHIBIT G

### IMPROVEMENTS

Landlord shall perform the following Improvements in the Premises, utilizing Landlord's current standard grade, quality, make, style, design and color materials and construction methods for the Building, as applicable:

Paint:

- A. Re-paint all existing interior hallways and corridors within the Premises and touch-up paint all other interior portions of the Premises to the extent needed, using paint that matches the existing paint in the Premises.

Carpet:

- A. Install new carpet throughout, including corridors and existing stairways, where carpet is currently installed.
- B. Carpet shall be textured, patterned modular carpet tile, 24oz. minimum yarn weight throughout. Allow for four (4) patterns.
- C. Specify Mannington, Masland, Designweave, Shaw Contract, or approved equal.
- D. Landlord will be responsible for the furniture lift for carpet replacement, including moving any furniture, fixtures, and/or equipment (including the disconnection of electrical equipment), and other property which Landlord or its contractor may require be moved to perform the work, provided however, that upon prior notice from Landlord or its contractor, Tenant shall arrange for all appropriate telephone, communication and computer wires or cables to be disconnected in advance of the moving of such equipment. Landlord and Tenant hereby agree to cooperate with the other party and exercise reasonable, good faith efforts to coordinate the timing and planning of the Tenant Improvement work.

Vinyl Tile:

Install new vinyl tile in areas designated by the County (specifications tbd).

Replace cabinetry in both kitchens.

Plans and specifications to be forthcoming.

Conversion of Shower Restroom to Office Space:

Plans and specifications (see attached First Floor Plan Specifications).

Elevator:

Replace interior carpet covering.

HVAC:

- A. Requires air balance. Replace mechanical equipment and cooling units if needed.
- B. Improvements to include \$4,049 as reimbursement for HVAC repair work.

Any other work Tenant deems necessary

Plans and specifications to be forthcoming.

**SUPPLEMENTAL LEASE DOCUMENTS**

**For**

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AND AGREEMENT**

**DEPARTMENT OF MENTAL HEALTH, as Tenant  
LANDLORD: STOCKER PLAZA ASSOCIATES**

**3751 STOCKER STREET, LOS ANGELES, CA 90008**

**\*\*\*\*\***

Document I - Subordination, Nondisturbance and Attornment Agreement

Document II - Tenant Estoppel Agreement

Document III - Community Business Enterprises Form

Document IV - Memorandum of Lease

Document V - Request for Notice

**DOCUMENT I**

**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

**AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street  
3rd Floor  
Los Angeles, California 90012

)  
)  
)  
)  
)  
)  
)

Space above for Recorder's Use

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**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

**NOTICE: THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

This Subordination, Nondisturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

**Factual Background**

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated \_\_\_\_\_ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a nondisturbance provision, all as set forth more fully below.



## Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises, option to purchase the Property, or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination, which is conditioned upon the nondisturbance agreement of Borrower and Lender in Section 3 of this Agreement.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Nondisturbance. The Transfer of the Property or any enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby, or deprive Lessee of any other property rights granted pursuant to the Lease.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease including Borrower; or (b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease; or (c) be bound by any prepayment by Tenant of more than one month's installment of rent; or (d) be obligated for any security deposit not actually delivered to Purchaser; or (e) be bound by any modification or amendment of or to the Lease unless the amendment or modification shall have been approved in writing by the Lender.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street, 3rd Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by and construed in accordance with the internal laws of the State of California without regard to the choice of law rules of that State. Any litigation with respect to this Agreement shall be conducted in the County of Los Angeles, State of California.

TENANT: COUNTY OF LOS ANGELES,  
a body politic and corporate

APPROVED AS TO FORM

ANDREA SHERIDAN ORDIN  
OFFICE OF THE COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy

By: \_\_\_\_\_  
William L. Dawson  
Director of Real Estate

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**DOCUMENT II**  
**TENANT ESTOPPEL CERTIFICATE**

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:   Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that as of the date hereof:

1.     Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2.     (a)    A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Except as specified in the Lease, Tenant has no option or right to renew, extend or cancel the Lease.

      (d)    Except as specified in the Lease, Tenant has no option or right to lease additional space in the Premises or Building or to use any parking.

      (e)    Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

      (f)    Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified, changed, altered or amended and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.

(c) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

5. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Agreement shall be conducted in the County of Los Angeles, State of California.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

TENANT:

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
William L. Dawson  
Director of Real Estate

APPROVED AS TO FORM  
ANDREA SHERIDAN ORDIN  
OFFICE OF THE COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy

### DOCUMENT III

#### COMMUNITY BUSINESS ENTERPRISES FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. On final analysis and consideration of lease will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

I. MINORITY/WOMEN PARTICIPATION IN FIRM (Partners, Associates  
Partners, Managers, Staff, etc.)

FIRM: NAME

ADDRESS

CONTACT

TELEPHONE NO.

TOTAL NUMBER OF EMPLOYEES IN FIRM: \_\_\_\_\_

	OWNERS/PARTNERS ASSOCIATE PARTNERS	MANAGERS	STAFF
Black/African American	_____	_____	_____
Hispanic/Latin America	_____	_____	_____
Asian American	_____	_____	_____
Portuguese American	_____	_____	_____
American Indian/ Alaskan Native	_____	_____	_____
All Others	_____	_____	_____
Women (Should be included in counts above <u>and</u> also reported here separately)	_____	_____	_____

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

TYPE OF BUSINESS STRUCTURE: \_\_\_\_\_ (Corporation, Partnership,  
Sole Proprietorship, etc.)

TOTAL NUMBER OF OWNERSHIP/PARTNERS, ETC.: \_\_\_\_\_

PERCENTAGE OF OWNERSHIP

Black/African American	_____
Hispanic/Latin American	_____
Asian American	_____
Portuguese American	_____
American Indian/ Alaskan Native	_____
All Others	_____
Women	_____

(Should be included in counts  
above and also reported  
here separately)

III. CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

IS YOUR FIRM CURRENTLY CERTIFIED AS A MINORITY OWNED BUSINESS  
FIRM BY THE:

State of California?	Yes	No
City of Los Angeles?	Yes	No
Federal Government?	Yes	No

IV. FIRM'S DESIRE NOT TO RESPOND TO INFORMATION

WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS  
FORM.

Firm Name:

Signed:

Date:

Title:

**DOCUMENT IV**

**MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street  
3rd Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

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**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease of certain property (the "Lease") in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_\_\_, and ending on a date \_\_\_\_\_ ( ) years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in a certain unrecorded Lease between Landlord and Tenant dated \_\_\_\_\_, 200\_.

[Tenant has the option to extend the term of the Lease for a period of \_\_\_\_ (\_\_) years, subject to the terms and conditions of the Lease.]



This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_\_\_.

LANDLORD:

TENANT:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

**DOCUMENT V**  
**REQUEST FOR NOTICE**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street  
3rd Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

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**REQUEST FOR NOTICE**

**(UNDER SECTION 2924B CIVIL CODE)**

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

Date of Recording of Deed of Trust

Instrument Number of Deed of Trust

Trustor

Trustee

Beneficiary

To be mailed to County of Los Angeles, Chief Executive Office, Real Estate Division,  
222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of  
Real Estate.

"LENDER:

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_  
SIGNEE'S NAME

Its:     SIGNEE'S TITLE

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

COUNTY OF \_\_\_\_\_.

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_  
\_\_\_\_\_ a Notary Public in and for the State of California, personally appeared \_\_\_\_\_  
\_\_\_\_\_ personally known to me (or proved on the  
basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

WITNESS my hand and official seal

Signature \_\_\_\_\_

My commission expires \_\_\_\_\_.